

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Hawaii Planing Mill Ltd.

Hawaii HTDC- MEP

Hawaii Planing Mill Success Story

Client Profile:

Hawaii Planing Mill, Ltd. (HPM) has grown from a small lumber mill founded in 1921 to a major one-stop building supply center with 13 major departments and six locations in the state of Hawaii. HPM has three full service locations in Hilo, Kona and Waimea, a manufacturing (metal roofing, counter tops, trusses, pre-hung doors) and administration facility in Keaau, a wood treatment facility in Hilo, and a sales office on O`ahu. HPM employs 100 people at its facility in Keaau, Hawaii.

Situation:

In the summer of 2003, HPM was straining to keep up with customer demand. The construction boom was in full swing in Hawaii and the sheer volume of orders for roof trusses and metal roofing had caused lead times to slip. The company had ordered some additional equipment but knew that it would take more than just capital investment if they wanted to get back to the lead times that customers demanded. In addition, the unemployment rate in Hawaii was the lowest in the nation and the local pool of potential workers had nearly dried up. Management recognized that they needed to work smarter rather than harder and improve throughput with the limited resources that were available. HPM's Vice President, Thuy Fujimoto, had been reading about Lean Manufacturing Principles and Value Stream Mapping and got in touch with Hawaii MEP (Hawaii HTDC-MEP), a NIST MEP network affiliate, to find out how HPM could employ some of these principles.

Solution:

Hawaii MEP conducted two Lean 101 workshops for 40 HPM employees from all branches and functional areas of the company. Seven HPM managers and staff attended a subsequent Value Stream Mapping workshop. As a result of the training, a kanban system was implemented in the truss manufacturing area to improve process flow. The company has continued to experience double digit growth rates for the last two years. The application of Lean techniques has enabled the company to meet this incredible increase in demand while not adding proportionally the same number of employees. HPM management is currently using Value Stream Mapping techniques to plan for smart growth as additional equipment and capacity are added.

Results:

- * Increased volume by 100 percent.
- * Reduced changeover time by 50 percent.
- * Improved responsiveness to customers.

Testimonial:

"HTDC provided very good, practical lean training that enabled our people to quickly get their hands around this unique manufacturing approach. As a result of embracing these methods, we've been

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

able to make leaps forward in the efficiency and productivity of our manufacturing divisions to meet the needs of our customers."

Mike Fujimoto, President/CEO